



Department of State

TELEGRAM

784

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AN: D730142-0011

EXCISE

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15

ACTION: EA-14

INFO OCT-01 EUR-25 ISO-00 NEA-10 EB-11 COME-00 TRSE-00

OMB-01 SCEN-02 INT-08 CIEP-02 CIAE-00 DODE-00 PM-07

H-03 INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01

SPC-03 SS-20 USIA-15 DRC-01 /152 W

019777

R 170955Z DEC 73

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 8783

INFO AMEMBASSY LONDON

USMISSION OECD PARIS

USMISSION EC BRUSSELS

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E.O. 12812 GDS

TAGS: ENRG, JA, LY

SUBJECT: JAPANESE CONSIDER PURCHASE OF LIBYAN OIL

SUMMARY: GOJ NOW ENGAGED IN HIGH LEVEL CONSIDERATION OF WHETHER JAPANESE COMPANIES SHOULD PARTICIPATE IN LIBYAN OIL TENDER. END SUMMARY.

1. NUMBER OF RECENT PUBLIC STATEMENTS BY SENIOR GOJ OFFICIALS REFLECT DEBATE NOW GOING ON WITHIN GOJ AS TO WHETHER OR NOT JAPANESE FIRMS SHOULD BID ON LIBYAN OIL PRIOR TO EXPECTED BID DEADLINE OF DECEMBER 19. CABINET SECRETARY NIKAI DO REPORTEDLY SAID ON DEC. 15 THAT GOJ WAS STUDYING "GOODWILL" LIBYAN OFFER TO EXPORT OIL TO JAPAN. MITI MIN NAKASONE REPORTEDLY ADDED (IN RESPONSE TO QUESTION POSED AT LOWER HOUSE JOINT COMMITTEE SESSION DEC. 16) THAT FOREIGN MINISTRY WAS NOW STUDYING WHETHER LIBYAN OIL TO BE OFFERED WAS SO-CALLED "HOT OIL". SINCE PURCHASE OF SUCH OIL MIGHT INVITE QTE REPERCUSSIONS UNQTE. NAKASONE THEN SAID THAT HE PERSONALLY BELIEVED THAT JAPAN SHOULD ACCEPT "WELL-INTENTIONED" LIBYAN OFFER EVEN IF THE QUANTITY WAS

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DEPARTMENT OF STATE, A/CDC/MR	
REVIEWED BY <i>OK</i>	DATE <i>1/2/84</i>
RUS/ICE XDS/EXT. DATE	
TS AUTH	
REASON(S)	
ENDORSE EXISTING MARKINGS ☒	
DECLASSIFIED ☐ RELEASABLE ☐	
RELEASE DENIED ☒ IN PART	
EX or FOI EXEMPTIONS <i>B1, B7</i>	

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[REDACTED] B7A9
[REDACTED] MATTER STILL UNDER CONSIDERATION WITHIN GOJ
[REDACTED] SINCE LIBYAN OIL TENDER MAY INCLUDE
[REDACTED] CAREFULLY CONSIDERING HOW
MITI OFFICIAL ADDED THAT HE UNDERSTOOD THAT LIBYAN
40 MILLION KL OF OIL, WHICH WOULD UNDOUBTEDLY
LIBYAN PART WAS NOT OIL. HE SAID, HOWEVER, THAT
TO NO CONCLUSIONS YET ABOUT WHETHER TO
FIRMS NOT TO TAKE PART IN BIDDING.

A MAJOR JAPANESE FIRM HAS DECIDED ON ITS
PART IN LIBYAN BIDDING. [REDACTED] B7A9
[REDACTED] MITSUBISHI CORPORATION TOLD EMBOFF
AT REGARDLESS OF POLITICAL FACTOR, MITSUBISHI
SIBLE TO PARTICIPATE BECAUSE OF PRICE
TO HIS KNOWLEDGE [REDACTED] B7A9
FIRMS HAD SUCCESSFULLY BID IN RECENT IRANIAN OIL
MITSUBISHI UNWILLING MAKE OFFERS IN \$17 RANGE AND
HIGHER PRICES TO BE OFFERED FOR LIBYAN CRUDE
IT IN SUBMITTING BID. WHILE [REDACTED] COULD
OTHER COMPANIES, HE THOUGH MANY WERE LIKELY TO
CONCLUSION.

IF GOJ SHOULD DECIDE TO ADVISE FIRMS NOT TO
OIL, IT IS QUESTIONABLE WHETHER UNDER
STANCES THIS ADMINISTRATIVE GUIDANCE
TIVE. MITI OFFICIALS ACKNOWLEDGE THAT AT
DO NOT EVEN KNOW WHICH, IF ANY, JAPANESE
ALREADY ENTERED BIDS.

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